

**MINUTES OF REGULAR MEETING
OPEN SESSION
August 23 and 24, 2011
ILLINOIS GAMING BOARD
CHICAGO, ILLINOIS
JOLIET, ILLINOIS**

NOTE: ITEMS IN **BOLDFACE PRINT** REFLECT OFFICIAL BOARD ACTIONS

On Tuesday, August 23, 2011 a Regular Meeting of the Illinois Gaming Board ("Board") was held on the 3rd floor at 160 N. LaSalle, Chicago, Illinois.

On Tuesday, August 23, 2011 at approximately 9:30 A.M. the following Board members were present: Members Charles Gardner, Eugene Winkler and Joseph Moore. At 9:35 A.M. on Tuesday, August 23, 2011, Member Gardner called the meeting to order. Pursuant to Section 2(c), paragraphs (1), (14) and (21) of the Open Meetings Act and Section 6(d) of the Riverboat gambling Act, Member Gardner moved that **the Board retire to Closed Session to discuss the items listed under Closed Session on today's agenda and relating to the following subject matters:**

1. **Personnel matters;**
2. **Investigations concerning applicants and licensees; and**
3. **Closed session minutes.**

Member Winkler seconded the motion. The Board approved the motion unanimously by voice vote. Chairman Jaffe entered the Board room at 10:30 A.M. The Board recessed at 11:30 A.M.

On Wednesday, August 24, 2011 the meeting reconvened at 9:50 A.M. at Harrah's Joliet Casino in Joliet, IL. Present were the following Board Members: Chairman Jaffe, Members Charles Gardner, Eugene Winkler, and Joseph Moore.

The Board remained in Closed Session until approximately 10:40 A.M. The Board recessed and went into open session at 10:59 A.M. Present were the following: Chairman Jaffe, Members: Charles Gardner, Eugene Winkler, and Joseph Moore.

APPROVAL OF MINUTES

Member Moore moved that **the Board approve the open session minutes of its Special Meeting of July 12, 2011.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

Member Moore moved that **the Board approve the open session minutes of its Regular Meeting of July 13, 2011.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

CHAIRMAN’S REPORT/COMMENTS –

Chairman Jaffe thanked Harrah’s Joliet Casino for hosting the August Regular Board meeting.

BOARD MEMBERS’ COMMENTS –

ADMINISTRATOR REPORT –

Administrator Ostrowski commented on the Rivers Grand opening which was in mid July. The Administrator also stated that staff reviewed all the comments on the remote access. The Administrator also thanked Harrah’s Joliet for hosting the August Regular Board meeting. He also commended the staff on the “World Series of Poker” room. Mark introduced Lynn Carter as the new General Counsel of the IGB.

PUBLIC COMMENTARY –

- Tom Swoik, Executive Director, Illinois Casino Gaming Association

PRESENTATION TO THE ILLINOIS GAMING BOARD BY TOM SWOIK, EXECUTIVE DIRECTOR, ILLINOIS CASINO GAMING ASSOCIATION

Good morning I am here today to update you on a few events that the members of the Association have been involved in this year. Those events include the 44th Annual Chicago Business Opportunity Fair, the AGA’s Responsible Gaming Education Week August 1-5 and the Associations sponsorship and participation in the Illinois State Black Chamber of Commerce Convention.

The 44th Annual Chicago Business Opportunity Fair, organized by the Chicago Minority Business Development Council took place at Navy Pier on April 18-20. For the fifth year the members of the ICGA sponsored and participated in the events including having a booth at the trade show. While I personally was not able to attend this year, the Association was represented by our President Rich Laudon and the purchasing staff from the casinos.

Once again we had tremendous turnout at our booth. I believe numerous contacts were made that will help us achieve our efforts to work with diverse vendors.

Secondly, I would like to update you on the AGA’s Responsible Gaming Education Week. The American Gaming Association created Responsible Gaming Week in 1998 to increase awareness of problem gambling among gaming employees and customers and to promote responsible gaming nationwide. This year the event was held the week of August 1-5, this was the fourteenth year for this event. This year the theme was “Know the Odds”. The theme built on last year’s of “taking the mystery out of the slot machines”, and focused on educating employees and patrons about the odds of all the games available in a casino.

The AGA brochure “the house advantage: a Guide to understanding the odds” was the main source of information dissemination.

The information provided again this year by the AGA included media advisory information, Responsible Gaming Activities Workbooks, buttons, ribbons, stickers, brochures, posters, and table tents for employee lounges. The objective of the campaign is to involve employees in activities to promote responsible gaming. Employees are trained to explain to patrons the significance of the buttons, stickers or ribbons they are wearing during Responsible Gaming Education Week.

Prior to Responsible Gaming Education Week, management at the casinos provide training to staff not only related to the week’s activities, but also as a refresher to the training **every** employee receives related to responsible gaming.

Although Responsible Gaming Education Week is a special industry-wide collaborative effort, we are actively involved in improving responsible gaming efforts every week throughout the year.

Finally, I would like to inform you that the Association for the third year participated in the annual Illinois State Black Chamber of Commerce Convention, as a member of the organization. This year the conference was held August 10th and 11th at the Par-A-Dice Casino and Hotel in Peoria.

I represented the Association at the event including making a brief presentation at one of the breakfast functions, having an informational table and participating in the various meetings and seminars. I believe the turnout at this year’s conference was significantly higher than the previous two I had attended. Once again I believe this was a very worthwhile event and that I made numerous contacts that will continue to help us in our recruiting efforts of both employees and vendors.

I would like to thank you for the opportunity to speak today.

Member Moore commented on the Chicago Diversity Fair that was held at Navy Pier in April, 2011. He stated that it was a job well done.

- Des Plaines Development Limited Partnership d/b/a Harrah’s Joliet Casino & Hotel

The following is a synopsis of the Harrah’s presentation for their license renewal:

Darren VanDover, General Manager of Harrah’s Joliet addressed the Board. He welcomed the Board and staff and then went on to introduce Senator Wilhelmi whom also addressed the Board.

Senator Wilhelmi welcomed the Board and staff and expressed his gratitude to Harrah’s Joliet for the economic growth of the City of Joliet. He commented on the top notch facility of Harrah’s Joliet; having employed hundreds of residents in the Joliet area.

Tom Thanas, Joliet City Manager introduced the Mayor of Joliet, Tom Giarrante. Mayor Giarrante addressed the Board and commended Harrah's Joliet on being a wonderful business partner, great corporate citizen and having a strong commitment to a diversified work force. He also thanked the Board on having such a strong opposition to the new gaming expansion bill.

The Chairman thanked the Mayor on commending the Board and stated that the IGB was not consulted when this bill was drafted, he went on to state that this bill is not funded properly and also undermines the IGB regulatory powers. He also commented that the legislators should learn how strictly gaming is regulated in Illinois. The IGB is one of the most professional Boards in the entire country.

Fred Keeton, Vice President of Financial, External Affairs and Chief Diversity Officer of Caesars was introduced.

Mr. Keeton addressed the Board and stated the commitment to a diversified work force.

Member Moore commended Mr. Keeton and expressed thanks for making the trip to Chicago.

A power point presentation was then initiated.

OWNER LICENSEE ITEMS

- Empress Casino Corporation d/b/a Hollywood Casino Joliet – Cecilia S. Lim, Internal Auditor - Level One

Based on a review of staff's investigation and recommendation, Member Gardner moved that **the Board approve Cecilia S. Lim as an Occupational Licensee Level One in the position of Internal Auditor for Hollywood Casino Joliet in Joliet, Illinois.** Member Moore seconded the motion. The Board approved the motion unanimously by roll call vote.

- The Rock Island Boatworks, Inc. d/b/a Jumers Casino & Hotel – Therrin Protze, President, Executive Vice President and COO – Level One and President of DNC Gaming & Entertainment of Illinois, Inc. – Key Person

Based on a review of staff's investigation and recommendation, Member Winkler moved that **the Board approve Therrin Protze as an Occupational Licensee Level One in the position of Executive Vice President and COO for The Rock Island Boatworks, Inc. d/b/a Jumers Casino & Hotel in Rock Island, Illinois.**

Additionally, based on a review of staff's investigation and recommendation, Member Winkler moved to **approve Therrin Protze as a Key Person of The Rock Island Boatworks, Inc. d/b/a Jumers Casino & Hotel in his position as President of DNC Gaming & Entertainment of Illinois, Inc.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

- Southern Illinois Riverboat Casino Cruises, Inc. d/b/a Harrah's Metropolis Casino and Des Plaines Development Limited Partnership d/b/a Harrah's Joliet Casino & Hotel – Timothy Richard Donovan, Senior Vice President, General Counsel and Chief Regulatory & Compliance Officer of Caesars Entertainment Operating Company, Inc. – Key Person

Based on a review of staff's investigation and recommendation, Member Moore moved **to approve Timothy Richard Donovan as a Key Person of Southern Illinois Riverboat Casino Cruises, Inc. d/b/a Harrah's Metropolis Casino and Des Plaines Development Limited Partnership d/b/a Harrah's Joliet Casino & Hotel, in his position as Senior Vice President, General Counsel and Chief Regulatory & Compliance Officer of Caesars Entertainment Operating Company, Inc.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

- Midwest Gaming & Entertainment, LLC – Ownership Approval

Based on a review of staff's investigation and recommendation, Member Gardner moved **to approve the following individuals, who intend to indirectly own interests in Midwest Gaming & Entertainment, LLC through High Plains Gaming, LLC.**

1. Scott Strusiner
2. Paul Seeman
3. David Patent
4. Dennis Carlin
5. Jeffery Quicksilver
6. Kenneth Weaver
7. Ira Schulman
8. Daniel Kotcher; and
9. Eric Mogentale.

Member Gardner further moved **pursuant to Section 3000.235 of the Adopted Rules to approve the corresponding redemption, issuance, and/or transfer of interests in High Plains Gaming, LLC consistent with the financing documents previously provided to the Board.** Member Moore seconded the motion. The Board approved the motion unanimously by roll call vote.

- Midwest Gaming & Entertainment, LLC – Ownership Approval

Based on a review of staff's investigation and recommendation, Member Moore moved **to approve the following individuals and trusts, who are “females” as defined under the Illinois Riverboat Gambling Act and who intend to indirectly own interests in Midwest Gaming & Entertainment, LLC through High Plains Gaming, LLC.**

1. Fern Carlin
2. Lisa Dudash; and

3. Amy C. Close 2006 Living Trust.

Member Moore further moved **pursuant to Section 3000.235 of the Adopted Rules to approve the corresponding redemption, issuance, and/or transfer of interests in High Plains Gaming, LLC consistent with the financing documents previously provided to the Board.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

- **Midwest Gaming & Entertainment, LLC – Ownership Approval**

Based on a review of staff's investigation and recommendation, Member Gardner moved **to approve the following individuals and trusts, who are "minority persons" or "females" as defined under the Illinois Riverboat Gambling Act and who intend to indirectly own interests in Midwest Gaming & Entertainment, LLC through PG Casino Investment LLC.**

- 1. PG Family 2011 Trust**
- 2. HCB Family 2011 Trust**
- 3. PGCi 2011 Trust**
- 4. Christian Alas**
- 5. Claudia Bautista**
- 6. Adeltrudes Bruce**
- 7. Priscilla Flojo**
- 8. The minor children of Maria Pereira; and**
- 9. Neco Santos.**

Member Gardner further moved **pursuant to Section 3000.235 of the Adopted Rules to approve the corresponding issuance, redemption, and/or transfer of interests in PG Casino Investment, LLC consistent with the financing documents previously provided to the Board.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

- **Midwest Gaming & Entertainment, LLC – Owner's License**

Based on a review of staff's investigation and recommendation, Member Winkler moved **pursuant to section 3000.230(g)(1) to approve and issue the Owner's License to Midwest Gaming & Entertainment, LLC d/b/a Rivers Casino – Des Plaines, effective August 2011 for a term of one (1) year expiring in August 2012.**

Furthermore, Member Winkler moved **to approve and designate the following individuals, business entities, trusts, positions and institutional investors as Key Persons of Midwest Gaming & Entertainment, LLC.**

- 1. High Plains Gaming, LLC**
- 2. Midwest Gaming Holdings, LLC**
- 3. Midwest Gaming Borrower, LLC**
- 4. CVG Chicago Gaming, LP**
- 5. CVG Chicago Gaming, LLC**

6. Clairvest Equity Partners IV, LP
7. CEP IV Co-Investment LP
8. Healthcare of Ontario Pension Plan Trust Fund (HOOPP)
9. Neil Bluhm
10. Neil G. Bluhm Family Descendants Trust
11. Gregory Carlin
12. CEO – Midwest Gaming & Entertainment, LLC
13. David Patent
14. COO - Midwest Gaming & Entertainment, LLC
15. Rush Street Gaming, LLC
16. Rush Street Gaming Partners, LLC
17. Andrew Bluhm
18. 2002 AGB Family Dynasty Trust
19. Leslie Bluhm
20. 2002 LNB Family Dynasty Trust
21. Meredith Bluhm-Wolf
22. Meredith A. Bluhm-Wolf 2006 Family GST Trust
23. Des Plaines Management, LLC
24. Benjamin Jeffrey Parr
25. Kenneth Rotman
26. Steven Frenkiel
27. Casino Investors, LLC
28. Prashant Gupta; and
29. PG Casino Investment, LLC.

Member Moore seconded the motion. The Board approved the motion unanimously by roll call vote.

OCCUPATIONAL LICENSES APPROVALS & DENIALS – LEVEL 2s & 3s

- Based on staff's investigation and recommendation, Member Moore moved **that the Board approve 263 applications for an Occupational License, Level 2, and 445 applications for an Occupational License, Level 3.**

Further, Member Moore moved that **the Administrator issue a Notice of Denial to the following individuals who received notice that staff intended to recommend denial and either did not respond or provide additional information to rebut the recommendations:**

1. Justin Michael Torres;
2. Gregory Andrew Mandrek;
3. Michael A. Benitez; and
4. Breland L. McKnight.

Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

At 11:59 A.M. Member Winkler motioned to adjourn and Member Moore seconded the motion. All Members voted in favor of adjournment.

Respectfully submitted,

Mary C. Boruta
Secretary to the Administrator